

# Social Questions Bulletin

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## The Deepening U. S. Recession

### Industrial Production Declines

By the end of 1957, signs of business decline in the United States were manifest. 1957 had begun with U. S. industrial output at a record high, according to the Federal Reserve Board (NY Times, 3-18-58.) Output fell and stayed below that throughout the year, and decline was especially pronounced in the last third—a drop which has continued at the same sharp rate in these first months of 1958. This February the FRB Production Index was down to 130 (per cent of the 1947-49 average)—lowest point since December, 1954, when the economy was moving out of the 1953-54 recession. That index dropped 10 points in both January and February of this year. The decline since last August is 15 points or 10.3 per cent—"as much as the entire declines in 1953-54 and 1948-49. Any further decline would make this the worst of the post-war recessions. The decline in output has been steeper in this recession than in 1953-54." The durable goods drop is particularly marked—down 26 points since last August. Auto output in February was down 31 per cent from a year ago, and the decline continued in March. Even construction activity was "curtailed slightly" in February, and retail sales and incomes also dipped. Barron's, Business Weekly (2-17-58) reported "the recession is spreading":

Synthetic fibres, long immune to the protracted slump in the textile business, now are being affected. The two biggest U. S. producers of rayon, DuPont and Chemstrand, have announced sharp cutbacks of production. Chemstrand cited "continued weakness in textile and industrial yarn markets." DuPont also acknowledged a softening in demand. . . . Industries hardest hit by the current decline show few signs of recovery. In the week ended Feb. 8, freight carloading dropped 532,289 cars or 20% below the comparable 1957 week. Thus, for the 26th consecutive week, car-loadings trailed year-earlier totals. . . . Oil industry leaders are stressing the need for cuts in output of crude. . . . Partly in reflection of auto cutbacks in Detroit, steel makers continued to operate far below capacity. Output dropped to 54% of 1958 capacity. And on down to 52.8% in the week ended March 8. U. S. News & World Report, 3-21-58.)

For the year 1957 as a whole more money had been spent on construction than in 1956, but costs were up even more, making "the physical volume of building below the previous years." (NY Times, 1-6-58.) Though the year brought a dramatic increase in road building, it also brought "sudden slump in building of homes and marked slowdown in industrial building as business began curtailing expansion plans." But for pumping of public funds into construction (especially highways and schools) the construction slump would have been much more marked.

### Unemployment at Post-War High

Two other post-war recessions brought misery and unemployment to millions, but at no other date since World War II has the jobless total been so high as today. The Labor and Commerce Departments reported the total as 5,173,000 in mid-February—about 2,000,000 more than in February of 1957, a jump of nearly 700,000 in only one month and the highest unemployment level since August 1941. 7.7 per cent of the total civilian labor force were jobless in February. "Like the total number this figure also was a post-war record." (NY Times, 2-22-58.)

The Methodist Federation for Social Action, an unofficial membership organization, founded in 1907, seeks to deepen within the Church, the sense of social obligation and opportunity to study, from the Christian point of view, social problems and their solutions and to promote social action in the spirit of Jesus. The Federation stands for the complete abolition of war. The Federation rejects the method of the struggle for profit as the economic base for society and seeks to replace it with social-economic planning to develop a society without class or group discriminations and privileges. In seeking these objectives, the Federation does not commit its members to any specific program, but remains an inspirational and educational agency, proposing social changes by democratic decisions, not by violence.

The NY Times survey of U. S. economy in 1957 (1-6-58) had explained:

In the waning weeks of 1957 there was one clear-cut indication of a business recession was in the making: unemployment spurted. Between October and November it rose by 700,000 to around 3,200,000, the largest figure for that month in eight years. It increased again in December. Unemployment shapes up as a major economic problem in 1958. . . . The number drawing unemployment compensation has increased by 20 to 100 per cent in scattered areas perhaps to a total of 2,000,000, or 50 per cent more than a year ago. . . . Hardest hit have been factory workers, laid off in increasing numbers ever since March, 1956. . . . Industry has found itself with excess productive capacity and has cut back its working force. This began quite awhile ago in such "depressed" fields as textiles, lumber and the nonferrous metals. Then it spread—and is still doing so. Unemployment is now showing up in electrical equipment, construction, electronics, autos, steel. Even engineers are being laid off.

Due to a larger number of persons seeking jobs in February, unemployment would have risen even if the number employed had remained steady. But the rise was even greater because the number employed dropped by 250,000 from January and 1,200,000 from a year ago. In mid-March "unemployment insurance reports from key industrial centers showed scant signs of the normal seasonal upturn in jobs." (NY Times, 3-20-58.)

On January 22, the Labor Department had named "nearly one-third of the nation's major industrial centers as areas of 'substantial' unemployment. Such 'surplus labor' labels are given areas with more than 6 per cent of their worker force idle. They now apply to 45 major areas. There were 24 areas on the list in November and 19 in January, 1957." (NY Times.) But on March 27, the Government announced this "substantial unemployment" category now applies to virtually all the 149 major industrial centers. (KCBS News, 3-28.)

Particularly acute is the plight of "the growing number of persons who have exhausted their unemployment benefits." In New York State, e.g., this number was 50 per cent higher than a year ago. (NY Times, 3-3-58 and 3-4-58.) About "145,000 workers exhausted their benefits in February, about the same as in January." (NY Times, 3-22.)

Sharply up also were the number of workers who, though not laid off altogether, were reduced to part time jobs. Those working "less than 35 hours a week reached a post World War II high of 2,000,000. Until last fall this figure had held at about 1,000,000 for two years." (NY Times, 2-12-58.)

The first evidence as to the March trend in unemployment was not encouraging. The Labor Department reported March 14 that the number of new claims for unemployment insurance in the first week of March rose to 440,400—a jump of 4,500 in the week and in a month which "usually shows a decline in claims." (NY Times.) This was far more than the 235,800 of a year earlier. "The percentage of unemployment to the insured work force remained at the record 7.9 per cent established the previous week. The report strengthened the probability March unemployment would be as bad as February."

### Workers Take Loss In Pay

The Labor Department reports that the average weekly pay of factory workers fell by \$1.14 in 1957 to \$81.27 in January 1958, due to contraction of the work week. There were less workers on overtime by 2,000,000 and 200,000 more who worked



less than 35 hours weekly. (AFL-CIO News, 1-18-58.) Average work-week dipped further in February and is below the low point of the 1953-54 recession. (US News & World Report, 3-21-58.)

The Commerce Department reports another total personal income dip in February—a drop that month of \$1,800,000,000. “The decline, concentrated entirely in wages and salaries, brought the total drop since September to \$5,000,000,000 or 1.5 per cent.” (NY Times, 3-15-58.) “The consumer’s capacity to buy has been impaired.” (Barron’s, 3-17-58.)

#### But Prices Rise to All-Time High

Despite recession and unemployment, prices have continued to rise. The Government reported its Consumer Price Index reached a new high in November, remained at that record in December, “rose sharply to another record in January” and “edged upward again in February to still another high.” (NY Times, 12-20, 1-2, 1-22, 2-26, 3-22.) The rise from December to January was the sharpest since July, 1956. The February increase brought the index to 3.2 per cent higher than a year ago and 7 per cent higher than in March, 1956, when the present “creeping inflation” began. Since then the index has risen every month but three, and in two of those it held steady. “The rise meant still another decline in the ‘real’ spendable earnings of the average factory worker—down 5 per cent from a year ago.” Sen. Lyndon Johnson commented in the Senate this was one of the few occasions in history, if not the only one, “in which prices have risen in the midst of a recession. Under any circumstances unemployment is cruel. But under these circumstances, it is cruelly compounded. The situation accentuates the urgency of rapid action to put the unemployed back to work.” Price rises were recorded for food, rent, gas and electric utilities, newspapers, hospital rates, medical care, automobile insurance, telephone rates, railroad fares, toothpaste, barbers, beauty shops, etc. The cost of living jump in 1957 was the greatest since 1951. (Christian Science Monitor, 1-23-58.)

The combination of lower income or take-home pay and higher prices could explain the Federal Reserve Board report that department store sales through mid-February were 2 per cent lower than a year ago.

#### Farmers’ Income Down

Decline in farm income has been going on for years, down “about 30 per cent from 1951 through 1956.” Committee for Economic Development, (12-57.) The farmer’s economic plight has been spelled out in our earlier economic surveys. In 1957, though farm output stayed high with reduced acreage, farm income declined by another \$200,000,000 to a level 1.6 per cent below that of 1956. “Administration officials, including Ezra Taft Benson, Secretary of Agriculture, had predicted that farm income would equal if not surpass the 1956 figure.” From \$16.1 billion in 1951, farmers’ net income fell to \$11.5 billion in 1957. Farmer’s costs have steadily risen and the U. S. Department of Agriculture reported February 3 “will continue to rise. In mid-January, the USDA’s index of prices paid by farmers rose to a new high, 301 per cent of the 1910-14 average.”

#### Plight of Small Business

Another long term trend is toward the squeezing out of small business. This trend continued in 1957. Most business failures are “small business.” In 1957, 13,700 businesses failed, went bankrupt—8 per cent more than in 1956 and several times the 3,476 of 1947. Such failures increase in rate. “In 1957, perhaps 52 businesses failed out of each 10,000. Ten years ago the comparable rate was 14 of 10,000.” (NY Times, 1-6-58.) Even larger is the number of small firms taken over or merged into larger ones—“350,000 or more each year.” The trend goes on in 1958.

Business failures reached 358 in the week ended March 5, highest since 1939. Failures in the four weeks ended Feb. 27 were 10 per cent above last year’s. (U. S. News & World Report, 3-21-58.)

#### More Business Decline In Sight

Government reports in mid-March indicated a further downward pull on the economy is ahead.

One report showed 13 per cent decline in expected business investment in plant and equipment this year—a much steeper drop than earlier surveys had indicated. A second showed a rise of pessimism about the business outlook among consumers, and some reduction in their plans to spend on major items. A third report revealed a sharp drop in exports in January. (NY Times, 3-14-58.)

#### Effect On Dividends, Stocks and Profits

Despite recession, “The dividend pie shared by stockholders in 1957 was the juiciest ever.” (NY Times, 1-6-58.) The Department of Commerce reported the total as “\$11.5 billion, compared with \$11.3 billion in 1956 and \$8.2 billion in 1951 (Facts for Farmers, 3-58.) But a slash in dividends is more to be expected in 1958.

Stocks reacted differently in 1957. The NY Times Stock Index in 1957 showed the largest decline in 26 years, and stock sales fell to a 15-year low. (NY Times, 1-6-58.) But numerous increases in stock prices from the lows of late 1957 had been registered by March 12, 1958. The Dow-Jones industrial average showed stock prices “had recovered about 35 per cent of the ground lost since July 12, 1957. The rise took place in face of a steep decline in business activity and in profits. It occurred a period when many dividends were being reduced.” (US News & World Report, 3-21-58.)

On the whole, profits were down in 1957 from the record high established in 1956 and 1955. The NY Times economic survey of 1957 (1-6-58) reported:

Profits before taxes are expected to fall to between \$36 to \$40 billion. In 1956 they reached a record \$43 billion.

Rising costs and the business decline help explain the general drop in profits and give basis for expecting a further general drop to come.

Not all firms had a dip in profits in 1957. The big food chains, distributors and processors, and the cigarette companies reported more profits in 1957 than ever. (See Facts for Farmers, 3-58, for detailed figures.) This may be explained in part by the growing spread between prices paid farmers and those charged consumers. The wider that spread the bigger are the profits of the middlemen (including the profitable big companies mentioned above) in between. The U.S. Department of Agriculture Bulletin, “Marketing & Transportation Situation” (1-30-58) reported that “profits of retail food chains were higher in 1957 than in 1956.” The same Bulletin says a composite market food basket in January, 1957, would have cost the consumer \$97.4¢ but the price had risen to \$1.011 by November. The difference is \$33. But the farmer in November got only \$18 more for his items in the basket—\$407 instead of \$389.

Eggs are example. U. S. per capita egg consumption has fallen every year since 1951. The widening farm-retail price spread may be one factor. That margin by mid-November 1957 had widened to 21¢ a dozen. Two years earlier it had been 17.7¢.

#### The Roles of Mammon and Mars

The decisive role of mammon (profit) in our economy becomes manifest. It largely called the tune in all these trends and developments. In the interest of profit for some, income and prices to farmers are kept down. The factory worker is sent home with a smaller pay check or laid off altogether (when it is no longer profitable for the owner or business to keep him working). The consumer is charged ever higher prices, and living costs soar to new records even in the midst of recession. Small businesses are swallowed up by larger businesses which can make larger profits. For profit a powerful few make the decisions which spell misery and suffering for the many: farmers, factory workers, small businessmen, the unemployed, and consumers (which takes us all in).

Great also in our economy is the claim of Mars, god of war. Consider the “record \$73.9 billion peacetime budget” asked by the President and now before Congress. (NY Times, 1-14-58.) The page one headlines tell the story: “64 PER CENT IS FOR MISSILE-AGE DEFENSE,” “OUTLAY OF 39.7 BILLION STRESSES WEAPONS OF THE FUTURE,” “DEFENSE PROGRAM EXPANSION OF SPENDING STRESSED IN BUDGET,” “PRESIDENT PROPOSES CUT IN HEALTH-WEALTH FARE FIELD.” A closer look at the proposed budget shows 64 per cent is allocated to the current military program, 7 per cent more is for benefits to veterans of past wars, and 11 per cent is for interest on the public debt, largely the result of the huge military spending of the past. Thus 82 per cent of the huge deficit and tax-burden enlarging budget, can be attributed almost entirely to war and highly profitable (for some) war preparation: past, present, future. Just about 5 per cent of the



get is proposed for all the items listed under the heading "Poor and Welfare." What we say of the budget now considered, we can say likewise of the budget now operating, and earlier budgets in the cold war, arms race years. The stress has been on warfare, not welfare—on the claims of Mars (and even more so, for the two gods are allied), not the peacetime claims and needs of the people.

## Cycle of Boom and Bust

Cycles of boom and bust have marked the economy based on competitive struggle for private or corporate profit. This, the first and perhaps most serious recession since the end of World War II, strongly confirms the view of many leading capitalist economists that we have not yet ended the cycle or its constituent "busts."

## Hard Impact of U. S. Downturn

The London Economist (1-4-58) wrote:

Whether deflation in the world economy sets in will depend primarily upon the American recession, how deep and how long. Nobody expects the rest of the world to ride this out as well as it did the last one.

It is the economy of the "private enterprise" West, allied to the U. S. economy, which is most crucially involved. At the beginning of the year, United Nations experts pointed to some discouraging developments in the world economic situation.

Chief among these is evidence of reduction in industrial activity in the U. S. and Canada that is influencing economies abroad, particularly in Western Europe. . . . The United States situation, according to United Nations experts in Geneva, already has had its repercussions in Western European countries, which fear that the fall in American industrial production in the last three months and the drop in personal income point to a mild United States recession. (N.Y. Times, 1-7-58.)

On March 16, Denmark's Premier Hansen:

warned trade unions Denmark and Western Europe faced a worsening economic situation. He said unless the U. S. Government took new steps against recession it must be assumed the decline in the U. S. would continue "for some time." (NYT).

Canada, too, has suffered rising unemployment. "JOBLESS INCREASE WORRYING CANADA—November Total Rose 40% over October. Unemployment is the most urgent problem before the new Conservative Government." (NY Times, 12-21-57.) CANADIAN JOBLESS UP—520,000 Unemployed by Jan. 18, Government Reports. . . . Canada's unemployed reached a post-war record figure Jan. 18 . . . 520,000 . . . The figure showed a 10% increase from the 386,000 reported for mid-December. The previous high was 401,000 in March, 1955."

There is western parallel also in our cost of living climb (10% last year). U.S. News & World Report, (3-14-58) says:

Look at retail prices in Western Europe in 1957: in Belgium, up 13 per cent; in Denmark, up 5.5 per cent; in Sweden, up 4.5 per cent; in the Netherlands, up 13 per cent; in Western Germany, up 4.25 per cent; in Britain, up 4.5 per cent.

Nor can boom be cited as cause:

British business activity continues to level off. . . . Layoffs of workers are continuing. . . . Industrial production hasn't shown sustained rise since 1955.

Elsewhere another "private enterprise" economy is in trouble: Japan faces more immediate problems than Britain. Japanese textile industry is having a bad time. Among small firms, there have been many bankruptcies, shutdowns and layoffs. Inventories are high. The Japanese Government is forcing industry-wide cuts in production.

From the United Nations Economic Bulletin for Europe (8-57) describing economic developments through the first half of 1957 we learn Western Europe's rate of expansion in employment and industrial production "continued the decline already noticeable in

1956," despite which "moderate upward trend of retail prices has continued." The same report said:

Developments in the U. S., where economic activity has increased only slowly since the last quarter of 1955, have exerted important influence upon the European scene, by weakening the position on world commodity markets and by dampening the rate of expansion of exports from other countries in the U. S. Recent changes in Western Europe's balance of payments with the U. S. give added importance to prospective developments in the American economy.

Those developments have not helped.

## The Challenge of the Rival Economy

In his widely reported interview with Wm. Randolph Hearst, Jr., Khrushchev said the greatest Soviet challenge to the U. S. was not the widely discussed one in the outer space field of missiles and sputniks, but in the broader and more basic field of industrial and agricultural production, in which the capitalist U. S. has long held the lead.

The same United Nations report which showed slowdown in western Europe's economy, backed by similar slowdown in the U. S., reported,

global industrial production plans in the Soviet Union and the countries of eastern Europe were fulfilled in the first half of this year, with a considerable margin in most countries. (There was) rapid growth of industrial output . . . and coal output in all countries showed a rate of growth higher than had been planned. . . . Output of crude oil continued to rise rapidly in the Soviet Union and very slowly in Rumania . . . Over-all construction in most countries seems to have risen at rates fairly close to those of the plans. . . . Most countries of the region have placed more emphasis on housing within state investment plans . . . have also taken steps to encourage private house building. . . . Industrial employment has generally risen at least as fast as during 1956. . . .

There are expectations of good harvests throughout the region. In the Soviet Union, deliveries of milk to the state trading network are reported to have been 25% greater in the first half of this year than in the same months of 1956 and deliveries of meat are stated to have risen by 38%. Reported increases in production are 26% for milk and 30% for meat.

Supplies of consumers' durable goods have also been increasing. In Czechoslovakia retail sales were 14% greater in volume during the first six months of 1957 than in the same months of 1956. Sales of foodstuffs rose in real terms by 12½%, and sales of consumers' durable goods by 15%.

(Apart from Hungary and Poland) there is little indication of increases in prices, and some reports of price reductions. In Czechoslovakia retail prices fell to 4% below the level of the first half of 1956, and food prices fell by rather more than this.

The ability of the centrally planned economies to increase production and consumption without price rises continues a trend documented in the United Nations 1956 World Economic Survey, released June 30, 1957.

Rapid economic expansion continued in the centrally planned economies in 1956. Industrial production increased substantially in all the centrally planned economies, with exception of Hungary, owing to disruption of work caused by the October events. . . . In mainland China the rate of expansion reached an exceptionally high rate of 25%, which carried its industrial production above the level set for 1957 in the first five-year plan. . . . The rise was achieved principally from increase in output per man, which in several countries increased notwithstanding reduction in length of the normal working week. . . . A 46-hour week was introduced in Bulgaria, Czechoslovakia and Poland in place of a 48-hour week; in the Soviet Union the working day on Saturdays and before public holidays was reduced by two hours and a six-hour day was introduced for workers between 16 and 18. Reduction in working time was made in all countries without cut in weekly pay.

In the Soviet Union increase in total agricultural production was some 10% in both 1955 and 1956. The rate of increase was somewhat greater in 1956.

Consumption increased in all countries of the group. In the Soviet Union consumer goods increased substantially. Retail sales increased 9%. Wages rose by 7% compared to 6% in 1955, and peasants' income increased by 12% compared with 7% in 1955. The rise in pensions introduced in October 1956 and the reduction of school fees resulted in additional disposable income. Further, money income of peasants increased much faster than their total income, rising by 20% as result of increases in saleable output and in prices of certain goods by government agencies. Nevertheless, prices remained generally unchanged, and real wages increased in line with money wages. . . . In Czechoslovakia cost of living was reduced by 2% and real wages rose by 6%. In Bulgaria cost of living declined by 8% (price reductions on a variety of goods ranged from 5 to 30%), and this reduction together with increase in money wages resulted in 10% rise in real wages. . . . In Poland, retail prices remained approximately at the 1955 level.

Expansion in the rival Soviet economy continued through 1957, the NY Times (1-7-58) reported in its annual world economic survey:

The Soviet Union and its leaders were justifiably proud of their feat in successfully launching two earth satellites during 1957. Soviet economic leaders were almost equally pleased by another major achievement—the country's industry exceeding its production target . . . while

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the Government was carrying out massive revision in its industrial management. Officials report industry turned out 10% more in 1957 than in 1956 (planned rate of growth had been 7.1%). Heavy industrial output rose in 1957 by 11% and consumer goods by 8%. . . . The 1958 budget provides slight decrease in military outlays (15% of the total) . . . (and) a surplus of 15.2 billion rubles. Married couples with children and women who must support themselves are (in 1958) to be excluded from income tax payments. . . . Housing is to get increased attention.

The decline in the U. S. capitalist economy and the contrasting continued advance in the rival Soviet planned economy causes concern:

The recession is creating mounting uneasiness among U. S. officials concerned with the economic race between the U. S. and the Soviet Union. Declining production in this country and mounting Soviet output may reduce the U. S.'s lead over the Soviet Union to the lowest in history. In the first quarter of this year estimated Soviet steel production of 14 million tons may amount to 70 or 75% of output here. Last year Soviet steel production was about half that of the U. S. In recent weeks U. S. steel industry has been operating at about half its capacity. Similar comparisons can be made in oil and coal production both of which have been declining. Continuance of the trend for several more months may put Soviet coal production ahead of that of the U. S. for the first time in modern history. Forecasts suggest the Soviet Union may match the U. S. in total production within 20 years, even if the U. S. continues to increase production capacity at the rate of the last few years. . . . Officials expect Soviet propaganda to stress this trend and unemployment in the United States. (NY Times, 3/3/58.)

The expected has happened, as we see in the NY Times of 3-13-58:

The Soviet Union reported industrial production during the first two months of this year was 11% higher than during the same period last year—4% higher than had been planned. Soviet officials have been contrasting Soviet economic growth with recession in the U. S. Deputy Premier Mikoyan said: "1957 was marked by new difficulties in the economies of the capitalist states. Capitalism's leading country (U.S.) has again been struck by a crisis of overproduction, deeper and apparently more long-lasting than the preceding crises of 1948 and 1954. What sort of rights do the five million unemployed Americans have? They have lost their right to work." By U. S. standards, production of most items is comparatively low. But the point being hammered home (by Soviet propagandists) was that the trend was constantly upward. "We are catching up" has become the theme of more and more political speeches.

This may partly explain the anomaly that in the U. S. in 1957, though overall production lagged, the output and sale of aspirin tablets soared to an all-time high: "23.8 billion 5-grain tablets." (NY Times, 1-6-58.) The outlook for the aspirin business in 1958 would appear still to be good. J.R.M.

## WRITE YOUR SENATORS ON THIS BILL

Senator Jenner has introduced S. 2646 "To limit the appellate jurisdiction of the Supreme Court" in cases involving infringement of individual civil liberties by state or federal government, school boards, or bar associations. In such cases, states this amazing bill, "The Supreme Court shall have no jurisdiction to review, either by appeal, writ of certiorari, or otherwise." The bill has been before the Senate Judiciary Committee headed by anti-Supreme Court Senator Eastland. Opposition to the bill has been expressed by many, including the American Bar Association, American Civil Liberties Union, and Religious Freedom Committee (whose Secretary, Miss Janice Roberts, testified before Senator Eastland's Committee).

The New York Times (2-26-58) editorialized:

Legislation of this kind would leave constitutional law in a state of confusion. It would do something much worse: strike directly at independence of the judiciary. It would be fatal to our form of government, and to civil liberties, if Congress punished the court for unpopular decisions by taking away its authority in certain cases, which is precisely what Senator Jenner would have it do.

We urge you and your MFSA chapter or church group to write your Senators for a copy of the bill and for their promise to oppose it.

## REGISTER FOR THE NATIONAL MEETING

Remember the MFSA National Membership Meeting, White Sulphur Springs, Sept. 1-3, White Sulphur Springs (Methodist Conference Campground), St. Helena, Calif., in your prayers and your plans. Send your \$3.00 registration now, and advise if you will join a car pool.

## BEHIND THE HEADLINES

When one starts to find out what is behind the headline and the lack of them, about the effort to prevent anti-democratic reaction from completely nullifying the Bill of Rights he soon runs into contradictions and confusion, similar to those that abound in our foreign policy. Consider the situation in the Senate where Eastland, chairman of both the Judiciary Committee and its sub-committee on Internal Security, has pocketed our petition for an unbiased committee to hear our charges concerning the lies told about us in a publication of his sub-committee addressed to the public.

Liberal Senator Hennings has introduced a Bill "to safeguard the right to travel," and almost every liberal senator—15 of them—joined him in sponsoring it. Actually it is a Bill to legalize the State Department's right to control travel at points which are now before the Supreme Court for decision. It is the Bill the Department has for three years tried in vain to get the House to accept. It permits them to refuse passports not only to members of organizations determined to be communist under the Internal Security Act of 1950 but also to persons "who have terminated membership under circumstances so as to warrant the conclusion that they continue to act in furtherance of the communist movement" or "regardless of the formal status of their affiliation with the communist movement engage in activities which support the communist movement under circumstances the Department may deem indicative of communist direction."

This can cover anybody, including senators, whose ideas differ from the Dulles line. The Bill goes still further. It permits the Department's Appeals Board to decide "consistent with national security," whether faceless informer witnesses shall be produced and their testimony made a part of the open record. On top of that it adds to the non-Communist affidavit requirement the obligation to fill in a "written application, duly verified by oath or affirmation . . . containing a true recital of each and every matter of fact which may be required" by the Department. Could Walter, or Eastland, or even McCarthy, go any further? Dictatorial control of the right to travel than these liberal senators? Their names are: Anderson, Carroll, Clark, Flanders, Humphrey, Ives, Javits, Langer, Magnuson, Morse, Murray, Neuberger, Proxmire, Symington, Chavez. If you know any of them maybe a letter asking "how come" might get an answer throwing some light on why we can't get our petition out to the floor.

Over against some favorable lower court results are some that are contradictory. The Watkins case does not settle the vital questions of contempt—the right to privacy of political beliefs under the First Amendment and the right of conscience to refuse to be an informer. In two recent cases, Barenblatt, former Vassar instructor, and Sacher, lawyer who defends leftists, the U. S. Court of Appeals, 5-4, refused to follow the Supreme Court reasoning. Both have appealed, so the Supreme Court has either to follow through or back down.

In our field of religious freedom, the New Hampshire Supreme Court refused to accept the Supreme Court's suggestion of the applicability of its ruling in the Sweezy case to the Willard Uphaus case. So still under sentence of fine and imprisonment until he becomes an informer, his case has to go back to the Supreme Court, with more expense and time taken from labors beneficial to the nation and mankind.

The only evidence of any effect of the campaign to abolish the congressional inquisition is the conclusion of one correspondent that both Democratic and Republican leaders have advised Walter and Eastland to go slow because this is election year. Walter is going full speed ahead with hearings scheduled for a number of cities. This gives our members the chance to get other religious leaders to see at first hand what kind of people these witch hunters are and how they behave.

For the contradictions in these situations to be overcome, our favor one essential is that the churches and the nation come to realize that the courts cannot save their democratic rights for them. They can only give them time to work out their own salvation, and that means extending democracy from politics to the whole of life.

H.F.